

**NORTHWEST OHIO WATERSHEDS
GIVEN HELP THROUGH ASSIST-
ANCE OF CONGRESSMAN ROBERT
BORSKI**

(Ms. KAPTUR asked and was given permission to address the House for 1 minute.)

Ms. KAPTUR. Madam Speaker, I wish to state for the RECORD my sincere appreciation to the gentleman from Pennsylvania (Mr. BORSKI) for the enormous assistance he provided our community during the consideration of the water resources bill last week.

When we were on the floor, I did not have an opportunity to place it formally in the RECORD, but I would say that without his help, Northwestern Ohio would not have received the consideration that was placed in that bill, and I wish to acknowledge and deeply thank him for the help that he gave us. Without his assistance, our watersheds would have been given no attention, and I thank him very much.

□ 1230

BANKRUPTCY REFORM ACT OF 1999

The SPEAKER pro tempore (Mrs. EMERSON). Pursuant to House Resolution 158 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 833.

□ 1230

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 833) to amend title 11 of the United States Code, and for further purposes, with Mr. NETHERCUTT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Pennsylvania (Mr. GEKAS) and the gentleman from Michigan (Mr. CONYERS) each will control 30 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. GEKAS).

Mr. GEKAS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the Constitution of the United States guarantees that bankruptcy shall be available to the citizens of our Nation. Accordingly, Congresses, ever since the first moment of our new land, have incorporated into their work special provisions to accommodate those individuals who find themselves totally engulfed by debt rather than to submit them to the prison dungeons that were the plight of people previously prior to the United States.

We, our enlightened forefathers, saw fit to allow the Congress to evolve in a situation in which a fresh start would be accorded to an ordinary citizen who cannot meet his obligations; and that is where we are here today.

We, in a long line of congressional action, re-guarantee the fresh start to individuals who become so engulfed in debt that there is no other way except for the Government to discharge their obligations and to allow them to start all over again. We guarantee that in this bill.

But to balance that situation, we also provide in this bill a mechanism whereby if those individuals who file for bankruptcy can, after a careful screening, be placed in a situation where they could repay some of the debt over a period of years, then this bill accommodates that and allows people to be moved from Chapter 7, where they would have gotten that fresh start automatically, to Chapter 13, where they must work through a plan for repayment of some of the debt over a period of time.

Now, here is the thing that we must make clear to the opponents of bankruptcy reform and to the people of our country. We are talking about a dividing line caused by the median income. We provide that the median income shall be the dividing line.

In other words, people under the median income in our country who apply for bankruptcy almost certainly will be accorded almost automatically the fresh start which their financial circumstances dictate. But we also said that if the income is over the median income, then that set of financial circumstances should be more closely scrutinized to determine if any money can be repaid to this debt that has been accumulated. That is a very balanced and a fair way to approach the economic system of our Nation.

And what is that median income? We are talking about a median income of \$51,000 for a family of four is the starting point. So if an individual with four people in the family is earning \$30,000 or \$40,000 or \$50,000, that fresh start is guaranteed. But if they are earning \$55,000, \$60,000, \$80,000, \$100,000 or beyond, then that set of finances has to be looked at more closely under the provisions of our bill to see if anything should be used for repayment of some of the debt. That is fair. That is proper.

The more we do that, the less burden the rest of the taxpayers have to bear. Because the taxpayers have to pick up the slack. Consumers at the retail outlets, at the supermarkets, have to pay more. Interest rates go up, etc. The more we are able to recoup some of the debt from the high-income people, the less the burden will be on the rest of the public.

That is what the clear message is of the bankruptcy reform legislation which we have before the House today. I ask for an overwhelming vote in support of the underlying bill.

Mr. Chairman, I include for the RECORD the following letters:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON COMMERCE,
Washington, DC, May 3, 1999.

Hon. HENRY HYDE,
Chairman, Committee on the Judiciary, Ray-
burn House Office Building, Washington,
DC.

DEAR HENRY: I am writing with regard to H.R. 833, the Bankruptcy Reform Act of 1999. As you know, the regulation of securities and exchanges is a matter committed to the jurisdiction of the Committee on Commerce pursuant to Rule X of the Rules of the House of Representatives.

Section 1011 of H.R. 833, as ordered reported ("SIPC Stay"), amends the Securities Investor Protection Act of 1970 (P.L. 91-598), a statute within the jurisdiction of the Committee on Commerce. As you will recall, this provision was originally contained in the Financial Contract Netting Improvement Act of 1998, introduced in the 105th Congress as H.R. 4393 and on which the Committee on Commerce received an additional referral of the bill upon its introduction, as did the Committee on the Judiciary.

Because of the importance of this legislation, I recognize your desire to bring it before the House in an expeditious manner, and I will not exercise the Committee's right to a sequential referral. By agreeing to waive its consideration of the bill, however, the Commerce Committee does not waive its jurisdiction over H.R. 833. In addition, the Commerce Committee reserves its authority to seek conferees on any provisions of the bill that are within its jurisdiction during any House-Senate conference that may be convened on this legislation. I ask for your commitment to support any request by the Commerce Committee for conferees on H.R. 833 or similar legislation.

I request that you include this letter and your response as part of the RECORD during consideration of the legislation on the House floor.

Thank you for your attention to these matters. I remain,
Sincerely,

TOM BILEY,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, May 3, 1999.

Hon. TOM BILEY,
Chairman, Committee on Commerce, House of
Representatives, Rayburn House Office
Building, Washington, DC.

DEAR TOM: Thank you for your letter regarding your Committee's jurisdictional interest in H.R. 833, the Bankruptcy Reform Act of 1999.

I acknowledge your committee's jurisdiction over section 1011 ("SIPC Stay") of this legislation and appreciate your cooperation in moving the bill to the House floor expeditiously. I agree that your decision to forgo further action on the bill will not prejudice the Commerce Committee with respect to its jurisdictional prerogatives on this or similar provisions, and will support your request for conferees on those provisions within the Committee on the Commerce's jurisdiction should they be the subject of a House-Senate conference. I will also include a copy of your letter and this response in the CONGRESSIONAL RECORD when the legislation is considered by the House.

Thank you again for your cooperation.
Sincerely,

HENRY J. HYDE,
Chairman.